

CITY COUNCIL AGENDA

MAY 21, 2002

SYNOPSIS

LINDA J. LE ZOTTE
FORREST WILLIAMS
CINDY CHAVEZ
CHUCK REED
NORA CAMPOS

DISTRICT 1
DISTRICT 2
DISTRICT 3
DISTRICT 4
DISTRICT 5

RON GONZALES MAYOR

KEN YEAGER
GEORGE SHIRAKAWA, JR.
DAVID D. CORTESE
JOHN DIQUISTO
PAT DANDO

DISTRICT 6
DISTRICT 7
DISTRICT 8
DISTRICT 9
DISTRICT 10

Welcome to the San José City Council meeting!

This Agenda contains both a Consent Calendar section for routine business items that require Council approval, and general business items arranged to correspond with San José's City Service Areas (CSAs). City Service Areas represent the policy-making level for strategic planning, policy setting, and investment decisions in the critical functions the City provides to the community. They are:

- ***Strategic Support Services*** — The internal functions that enable the CSAs to provide direct services to the community in an effective and efficient manner.
- ***Economic and Neighborhood Development*** — Manage the growth and change of the community in order to create and preserve healthy neighborhoods and ensure a diverse range of employment and housing opportunities.
- ***Recreation and Cultural Services*** — Serve, foster, and strengthen community by providing access to lifelong learning and opportunities to enjoy life.
- ***Transportation Services*** — A safe and efficient transportation system that contributes to the livability and economic health of the City.
- ***Environment and Utility Services*** — Manage environmental services and utility systems to ensure a sustainable environment for the community.
- ***Aviation Services*** — Provide for the air transportation needs of the community and the region at levels that are acceptable to the community.
- ***Public Safety Services*** — Commitment to excellence in public safety by investing in neighborhood partnerships as well as prevention, enforcement, and emergency preparedness services.

Items listed in Section 10 require approval of both the City Council and the San José Redevelopment Agency Board.

You may speak to the City Council about any item that is on the agenda, and you may also speak on items that are not on the agenda during Open Forum. If you wish to speak to the City Council, please refer to the following guidelines:

1. **Fill out a Yellow Speaker's Card and submit it to the City Clerk seated at the front table. Do this before the meeting or before the item is heard.** This will ensure that your name is called for the item/s that you wish to address, and it will help ensure the meeting runs smoothly for all participants.
2. When the Council reaches your item on the agenda, Mayor Ron Gonzales will open the public hearing and call your name. Please address the Council from the podium, which is located to the left of the City Clerk's table.
3. Each speaker generally has two minutes to speak per item. The amount of time allotted to speakers may vary at the Mayor's discretion, depending on the number of speakers or the length of the agenda.
4. To assist you in tracking your speaking time, there are three lights located to the far right of the podium. The green light turns on when you begin speaking; the yellow light turns on when you have 30 seconds left; and the red light turns on when your speaking time is up.

Please be advised that, by law, the City Council is unable to discuss or take action on issues presented during Open Forum. According to State Law (the Brown Act) items must first be noticed on the agenda before any discussion or action.

The San José City Council meets every Tuesday at 1:30 p.m. and every first and third Tuesday at 7 p.m., unless otherwise noted. If you have any questions, please direct them to the City Clerk's staff seated at the tables just below the dais. Thank you for taking the time to attend today's meeting. We look forward to seeing you at future meetings.

- **Call to Order and Roll Call**
9:30 a.m. - Closed Session, Room 600, City Hall
Absent: Council Member Chavez (excused)

1:35 p.m. - Regular Session, Council Chambers, City Hall
Absent: Council Members – None.

7:05 p.m. - Public Hearings, Council Chambers, City Hall
Absent: Council Members – None.
- **Invocation (District 5)**
Heng Re Shr; Heng Hwang Shr; Chin Ruy Shr, Gold Sage Buddhist
Monastery, delivered the invocation.
- **Pledge of Allegiance**
Mercedes Devencenzi and the 3rd Grade graduates of Meadow School led in
the Pledge of Allegiance.
- **Orders of the Day**
Approved with one addition: Item 6.1 deferred to 05/28/02.
Noes: LeZotte.

1 CEREMONIAL ITEMS

- 1.1 Presentation of the 2002 Trash Cutter's Award from California Integrated Waste Management Board for a successful Recycle @ Work campaign, which diverted 645 tons of material from the landfill by promoting recycling at City of San José facilities.
 (Environmental Services)
Director of Environmental Services Carl W. Mosher joined Mayor Gonzales at the Podium to honor the City's achievements in promoting recycling at its facilities. On behalf of the City Council, Mayor Gonzales accepted the 2002 Trash Cutter's Award presented by the California Integrated Waste Management Board, recognizing the diversion of 645 tons of material from the landfills by promoting recycling at City of San José facilities.
- 1.2 Presentation of a proclamation declaring the week of May 19-25, 2002 as Public Works Week. (Public Works)
Joining Mayor Gonzales at the Podium were Director of Planning, Building and Code Enforcement Stephen M. Haase, Director of General Services José Obregon, and Director of Environmental Services Carl W. Mosher, and Director of Public Works Katy Allen, who accepted the proclamation and acknowledged the contributions of all City Staff responsible for the displays in the lobbies of City Hall Lobby and the Martin Luther King Jr. Library.

1 CEREMONIAL ITEMS

- 1.3 Presentation of commendations to the recipients of the Women's Fund Women of Achievement Award. (Mayor)
(Rules in lieu referral 5/15/02)

This Item Heard in the Evening.

Mayor Gonzales invited Jeannie Meehan, Treasurer and Events Chairperson for the Women's Fund Women of Achievement Awards Dinner, to join him at the Podium with the 14 award winners in the following categories: *Arts* – Ann Woo, Executive Director of Chinese Performing Artists of America; *Communications* – Amy Love, Publisher and Founder of Real Sports Magazine; *Community Service* – Mary Hiland, President and CEO, Alliance For Community Care; *Corporate* – Tae Yun Kim, Chair and CEO, Light House World Wide Solutions; *Education* – Dr. Linda Murray, Superintendent, San José Unified School District; *Elected Public Official* – Judy Nadler, Mayor; *Entrepreneur* – Karen Drexler, CEO, Mira Medical Services Organization; *Labor* – Jenny Erwin, Regional Director, U.S. Department of Labor, Women's Bureau; *Medical Professions* – Dr. Catherine Albin, Chair, Department of Pediatrics, Valley Medical Center; *Public Services* – Susan G. Murphy, Director, Santa Clara Valley Medical Center; *Science and Technology* – Professor Sally Verregge, Department Chair of Biological Sciences, San José State University; *Small Business* – Shelia Breeding, Vice President/CFO, Tennis, Getter & Breeding, Inc.; *Sports* – Marlene Bjournsrud, General Manager, San José Cyber Rays; and *Volunteerism* – Brenda Smith-Ray, Director, Courtland Esteem, Inc. Jeannie Meehan introduced the supporters of the Women's Fund and invited all to attend the upcoming 30th Anniversary festivities.

Items 1.4 and 1.5 were heard together during the Evening Session of the City Council.

- 1.4 Presentation of a commendation to The Digital Clubhouse Network for their Latino Legacy Project, a service learning program for Latino youth and their families on how to use 21st century technology to preserve their heritage, express ideas, perspectives, and insights through digital communications. (Chavez)
(Rules in lieu referral 5/15/02)

This item continued on the next page.

1 CEREMONIAL ITEMS

Items 1.4 and 1.5 were heard together during the Evening Session of the City Council.

- 1.5 Presentation of a commendation to The Digital Clubhouse Network for their Digital Griot Project, a service learning program for African-American youth and their families on how to use 21st century technology to preserve their heritage, express ideas, perspectives, and insights through digital communications. (Williams)
(Rules in lieu referral 5/15/02)

Council Members Chavez and Williams joined Mayor Gonzales at the Podium to acknowledge the contributions of the youth and their families. The guests, Digital Clubhouse Network Director Anita Long-McFarland, and President Warren Hague, accompanied by 15 members of the Network, were presented commendations for their innovative programs and the use of information technologies that enrich education and lifelong learning, encourage healthy lifestyles, and promote the positive values of cultural diversity and tolerance; and as part of the Veteran's History Project, some of the digital communications will be archived in the Library of Congress on Veteran's Day 2002.

- 1.6 Joining Vice Mayor Shirakawa, Jr., the City Council welcomed Ms. Kuleska's 3rd Grade Graduates of May 21, 2002, who delivered a message to the Mayor and City Council: "*Go Raiders*". The guests were asked to stand and be recognized.

2 CONSENT CALENDAR

2.1 Approval of Minutes.

Recommendation: Approval of City Council Minutes for:

- (a) Regular meeting of November 6, 2001
Approved as amended to clarify direction to Staff in Item 5.3 regarding the fees charged at regional parks.
- (b) General Plan Hearing of November 6, 2001
Approved.

2.2 Final adoption of ordinances.

Recommendation: Final adoption of ordinance:

- (a) ORD. NO. 26625 – Amends Chapter 9.10 of Title 9 and amends Section 13.20.070 of Chapter 13.20 of Title 13 of the San José Municipal Code to revise certain solid waste regulations effective July 1, 2002.
Ordinance No. 26625 adopted.

2 CONSENT CALENDAR

2.2 Final adoption of ordinances:

Recommendation: Final adoption ordinances:

- (b) ORD. NO. 26626 – Amends Section 11.96.070 of Chapter 11.96 of Title 11 of the San José Municipal Code to repeal the prohibition of commercial vehicles in excess of 5 tons on Newhall Street between the Alameda and Campbell Avenue.
Ordinance No. 26626 adopted.

- (c) ORD. NO. 26627 – Rezones certain real property situated at the east side of South 3rd Street, 200 feet northerly of Keyes Street (1050 South 3rd Street).
PDC 00-10-104
Ordinance No. 26627 adopted.

- (d) ORD. NO. 26628 – Rezones certain real property situated on the east side of Narvaez Avenue, approximately 220 feet northerly of Amanda Drive.
PDC 01-06-066
Ordinance No. 26628 adopted.

- (e) ORD. NO. 26629 - Rezones certain real property situated on the south side of Madden Avenue.
PDC 00-08-084
Ordinance No. 26629 adopted.

- (f) ORD. NO. 26630 - Rezones certain real property situated on the southwest corner of Coleman and W. Hedding Streets.
PDC 02-01-004
Ordinance No. 26630 adopted.

- (g) ORD. NO. 26632 - Rezones certain real property situated on the block bounded by North First, Taylor, Miller, and Asbury Streets.
PDC 00-09-086
Ordinance No. 26632 adopted.

2 CONSENT CALENDAR

2.3 Consideration of the Parks and Recreation Commission recommendation to name two public facilities.

Recommendation: Consideration of the Parks and Recreation Commission recommendation to name:

- (a) A park to be developed by the City at the corner of Bird and Fisk Avenues “Hummingbird Park.” Council District 6.

Council approved the recommendation of the Parks and Recreation Commission to name the pocket park “Hummingbird Park”.

- (b) The tot lot at Parma Park, located at 6445 Camden Avenue, “Jake’s Play Lot.” Council District 10.

(City Clerk/Parks and Recreation Commission)

Council approved the recommendation of the Parks and Recreation Commission to name the tot lot at Parma Park “Jake’s Play Lot”, with an invitation to Council Members to attend the Dedication Ceremonies at 1:00 p.m. on June 16, 2002.

2.4 Approval to award a contract for the North First Street Parallel Main Project.

Recommendation: Report on bids and award of contract for the North First Street Parallel Main Project to the low bidder, Preston Pipelines, Inc., in the amount of \$702,602, and approval of a contingency in the amount of \$35,000. CEQA: Exempt, PP01-03-041. Council District 4. (Environmental Services)

Approved.

Council approved the award of contract with direction to Staff to explore different ways of incorporating and adjusting the variable rates as the Storm Water Permitting Requirements are implemented as imposed by the Regional Quality Water Board.

2.5 Approval of an ordinance to revise provisions related to categorization of premises and determination of charges for use of the Storm Sewer System.

Recommendation: Approval of an ordinance amending Sections 15.16.1380, 15.16.1390, and 15.16.1500 of Chapter 15.16 of Title 15 of the San José Municipal Code and adding a new Section 15.16.1395 of Chapter 15.16 of Title 15 to revise provisions related to categorization of premises and determination of charges for use of the storm sewer system and to correct a clerical error. (Environmental Services)

Ordinance No. 26634 passed for publication.

2.6 Acceptance of the Status Report for South Bay Water Recycling.

Recommendation: Acceptance of the Status Report for South Bay Water Recycling for the period July 2001 through March 2002. (Environmental Services)

Council accepted the status report.

2 CONSENT CALENDAR

2.7 Approval of open purchase orders for the purchase of supplies, materials, equipment, and services.

Recommendation: Approval of award of open purchase orders for supplies, materials, equipment, and services for FY 2001-2002 #34, and authorization for the Director of General Services to execute the purchase orders. (General Services)

Approved.

2.8 Approval to reject all proposals for a technology equipment management system.

Recommendation: Approval of rejection of all proposals for a technology equipment management system. (General Services/Information Technology)

Deferred to 05/28/02.

2.9 Approval to increase the number of very low-income units in the El Paseo Studios development.

Recommendation: Adoption of a resolution approving an increase in the number of very low-income units from 46 to 88 in the El Paseo Studios development, located at the easterly corner of Hamilton and Campbell Avenues. Council District 1. (Housing)

Resolution No. 70974 adopted.

2.10 Approval to award a contract for the Sanitary Sewer Junction Structure Rehabilitation Project (Phase I).

Recommendation: Report on bids and award of contract for the Sanitary Sewer Junction Structure Rehabilitation Phase I Project (MRP 97-4) to the sole bidder, Bugler Construction, Inc., in the amount of \$163,890, and approval of a contingency in the amount of \$16,500. CEQA: Exempt, PP96-10-163, PP96-10-165, PP96-10-166. Council District 3. (Public Works)

Approved.

2.11 Approval of lease agreements for office space at 4 North Second Street.

Recommendation: Approval of two lease agreements with Cornerstone Properties, LLC, for office space at 4 North Second Street for a combined monthly rent of \$57,361.90 during the first year of the leases, with annual increases of approximately three percent to a maximum rate of \$62,556.94 per month during the fourth and final year of the leases. (Public Works)

Deferred to 05/28/02.

Council directed the City Manager to negotiate with the current property owner a lease that would provide the City with a seven-month notice of termination, resulting in a four-month notification provision and a three-month penalty amount for early termination.

2 CONSENT CALENDAR

2.12 Approval to award a contract for the Alum Rock Ave./King Rd. Streetscape Improvement Project.

Recommendation: Report on bids and award of contract for the Alum Rock Ave./King Rd. Streetscape Improvement Project (N. 34th St/Jackson Ave.) to the low bidder, Bamer Construction Co., in the amount of \$167,800, and approval of a contingency in the amount of \$13,000. CEQA: Exempt, PP01-01-004. Council District 5. (Public Works)
Approved.

2.13 Approval to award a contract for the Ryland Park Play Area and Restroom Renovation Project.

Recommendation: Report on bids and award of contract for the Ryland Park Play Area and Restroom Renovation Project to the low bidder, HRB Construction, Inc., in the amount of \$392,531, and approval of a contingency in the amount of \$39,000. CEQA: Resolution No. 64273. Council District 3. (Public Works)
Approved.

2.14 Approval to award a contract for the construction of the New Blossom Hill Branch Library Project.

Recommendation: Report on bids and award of contract for the construction of the New Blossom Hill Branch Library Project to the low bidder, Dennis J. Amoroso, Inc., for the base bid and Add Alternates Nos. 1, 2, and 3 in the amount of \$6,791,000, and approval of a contingency in the amount of \$350,000. CEQA: Exempt, H01-12-081. Council District 10. (Public Works)
Approved.

2.15 Approval of actions to implement the settlement agreement with the Morgan Hill Unified School District and the City of Morgan Hill.

Recommendation: Take the following actions to implement the settlement agreement with the Morgan Hill Unified School District and the City of Morgan Hill:

- (a) Accept conveyance from the Morgan Hill Unified School District (MHUSD) of fee title to approximately 75 acres of land located between Monterey Road and U.S. Highway 101 North of Burnett Avenue and Tilton Avenue and South of Kirby Avenue.
- (b) Approve the grant of an easement to MHUSD to construct and maintain stormwater facilities, a water service connection and other public utility connections over approximately 50 acres of the land conveyed to the City.
- (c) Approve an Agreement to allow MHUSD to temporarily use portions of the land conveyed to the City to construct the stormwater facilities and as a construction staging area for the new MHUSD high school to be constructed on adjacent property.

This item continued on the next page.

2 CONSENT CALENDAR

2.15 Approval of actions to implement the settlement agreement with the Morgan Hill Unified School District and the City of Morgan Hill

Recommendation: Take the following actions to implement the settlement agreement with the Morgan Hill Unified School District and the City of Morgan Hill. **(Cont'd.)**

- (d) Approve a Memorandum of Understanding between MHUSD, the City of Morgan Hill and the City of San Jose consenting to the provision by the City of Morgan Hill of water, sewer, police and fire services to the portion of the new MHUSD high school site located within the City of San Jose.

CEQA: Morgan Hill Unified School District Board Resolutions Nos. 00/01/021, 01/02/033, and additional CEQA Resolution to be adopted by Council.
(City Attorney's Office)

**The Statement of Overriding Considerations that the benefits outweigh the unavoidable adverse environmental impacts of the project were approved; and the actions to implement the settlement agreement with the Morgan Hill Unified School District and the City of Morgan Hill were approved.
CEQA Resolution No. 70975 adopted.**

2.16 Approval of an agreement for the development of construction documents for the Tully Road Multi-Use Facility.

Recommendation: Approval of an agreement with David Gates and Associates, Inc. for consultant services for the development of construction documents for the Tully Road Multi-Use Facility, from the date of execution of the agreement to June 30, 2003, in the amount of \$270,270, and additional services in the amount of \$40,000, for a total agreement amount of \$310,270. Council District 7. (Public Works)
(Rules in lieu referral 5/15/02)

Approved.

2.17 Approval of review of the use of Parks and Recreation Bonds for an additional site, San José City College Campus, to serve as a Multi-Service Community Center.

Recommendation: Approval of review of the use of Parks and Recreation Bonds for an additional site, San José City College Campus, to serve as a Multi-Service Community Center. Council District 6. (Parks, Recreation and Neighborhood Services)
(Rules in lieu referral 5/15/02)

Approved.

END OF CONSENT CALENDAR

3 STRATEGIC SUPPORT SERVICES

3.1 Report of the Study Session Mayor Gonzales, Chair

3 STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee – May 8, 2002

Vice Mayor Shirakawa, Jr., Chair

- (a) Redevelopment Agency items reported out at Redevelopment Agency meeting
The Redevelopment Agency items to be reported out at Redevelopment Agency Board meeting
- (b) City Council
 - (1) Review May 21, 2002 Draft Agenda
The Committee recommended approval of the May 21, 2002 City Council Agenda with one addition.
 - (2) Add New Items to May 14, 2002 Amended Agenda
The Committee recommended five additions to the May 14, 2002 City Council Agenda.
- (c) City Council Committees
 - (c) Amendments to Council Committee Agendas
 - (c) Finance and Infrastructure Committee
The Committee recommended adding two items to the May 22, 2002 Finance and Infrastructure Committee: Investment Agreement Pilot Program Evaluation (Finance); and Review Multifamily Housing Revenue Bond Financing Policy (Housing/Finance).
 - (c) Economic Development and Environment Committee
None Filed.
 - (c) Education, Neighborhoods, Youth, and Seniors Committee
None Filed.
- (d) Meeting Schedules
 - (1) Approval of City Council meeting schedule for period August 2002-January 2003, and Board and Commission Recognition event
The Committee recommended approval of (a) the City Council Meeting Schedule for the period August 2002 through January 2003; and (b) a Board and Commission Recognition event on Tuesday, October 15, 2002 at 5:30 p.m.
- (e) The Public Record
The Committee noted and filed the Public Record for the period April 24-30, 2002.
- (f) Boards, Commissions and Committees
None Filed.

3 STRATEGIC SUPPORT SERVICES

3.2 Report of the Rules Committee – May 8, 2002 – (Cont'd.)

Vice Mayor Shirakawa, Jr., Chair

- (g) Council Referrals for Assignment to Appropriate Committee, Administration, or Council Appointee
None Filed.

- (h) Administrative Reviews and Approval
None Filed.

- (i) Oral communications
Pete Campbell requested a copy of the staff report on alternate City Hall sites. He also stated the ultimate decision regarding the location of City Hall should be made by the residents of San José.

- (j) Adjournment
The meeting was adjourned at 2:15 p.m.

The Rules Committee Report and actions of May 8, 2002 approved.

Report of the Rules in Lieu Committee – May 15, 2002

Vice Mayor Shirakawa, Jr., Chair

- (f) Boards, Commissions and Committees
 - (1) Deferred Compensation Advisory Committee
The In-Lieu Committee recommended appointment of Jay Castellano to the Deferred Compensation Advisory Committee as one of the two general employee representatives, for a term ending March 1, 2006, and forwarded the item to Council for final disposition.

The Rules In-Lieu Committee Report and actions of May 15, 2002 accepted.

3.3 Report of the Finance and Infrastructure Committee – May 8, 2002

Council Member Dando, Chair

- (a) Consent Items:
 - (1) Monthly Investment Report for March 2002
The Committee approved the Consent Items.
- (b) Monthly Financial Report for March 2002
The Committee accepted the staff report.
- (c) Review of Investment Policy
The Committee accepted the staff report.

See Item 3.4 for Council action taken.

3 STRATEGIC SUPPORT SERVICES

3.3 Report of the Finance and Infrastructure Committee – May 8, 2002

Council Member Dando, Chair

- (d) Review of City Debt Management Policy
The Committee accepted the staff report.

See Item 3.5 for Council action taken.

- (e) An Audit of the Property Management Operations of the City of San José's Department of Public Works/Real Estate Division
The Committee [1] accepted the staff report with the direction that a report of all City-owned properties be added to the Auditor's Workplan, and [2] recommended Staff [a] find out what the intent of the non-profit organization is, [b] inspect the buildings to make sure they are safe; and [c] review all City-funded improvements to determine whether the City or the non-profit organization should be responsible (for up-keep and maintenance) as specified in the lease document.
- (f) Housing Set-Aside Tax Allocation Bonds Sale
The Committee accepted the staff report.
- (g) Oral Petitions
The following individuals spoke on various topics of interest: Dale Warner, Diane Kruger, Yolanda Reynolds, and Long Do.
- (h) Adjournment
The Committee adjourned at 4:35 p.m.

The Finance and Infrastructure Committee Report and actions accepted with Council action on Item 3.3(c) taken at 3.4, and with Item 3.3(d) acted upon at Item 3.5.

3.4 Approval of City's Investment Policy.

Recommendation: Adoption of a resolution approving proposed changes to the City's Investment Policy.

[Finance and Infrastructure Committee referral 5/8/02 – Item 3.3(c)]

Resolution No. 70976 adopted.

3.5 Approval of City Debt Management Policy.

Recommendation: Adoption of a resolution approving the City's Debt Management Policy.

[Finance and Infrastructure Committee referral 5/8/02 – Item 3.3(d)]

Resolution No. 70977 adopted.

3 STRATEGIC SUPPORT SERVICES

3.6 Public Hearing on the Proposed Operating and Capital Budgets and Departmental Fees and Charges.

Recommendation: Public Hearing on the Proposed Operating and Capital Budgets for the Fiscal Year July 1, 2002 to June 30, 2003, the Proposed Five-Year Capital Improvement Program for 2003-2007, the Proposed Fiscal Year 2002-2003 City Departmental Fees and Charges Program for the City of San José.
(City Manager's Office)

This Item Heard in the Evening.

Public Hearing Held.

Public Testimony Accepted.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.1 Report of the Economic Development & Environment Committee – May 6, 2002 Council Member Williams, Chair

(a) Habitat Conservation Plan

The Committee heard Staff's report on "Habitat Conservation Plan" and forwarded it to Council.

(b) Discussion and Review of Section 13.28.130 of the San José Municipal Code entitled, "Tree Trimming Removal"

The Committee heard Staff's report on "Tree-Trimming-Removal Ordinance Section 13.28.130" and forwarded it to Council.

(c) Interim Report on Implementation efforts of Green Building Policies

The Committee deferred this item to 06/03/02.

(d) Workforce Investment Act Program Third Quarter Report

The Committee heard Staff's report on "Workforce Investment Act Program Third Quarter Report" and forwarded it to Council.

(e) Parkland Ordinances Fee Adjustment Report

The Committee heard Staff's report on "Parkland Ordinances Fee Adjustment Report" and forwarded it to Council.

See Item 4.2 for Council action taken.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.1 Report of the Economic Development & Environment Committee – May 6, 2002 – (Cont'd.)

Council Member Williams, Chair

- (f) Quarterly Downtown Housing Report
 - (g) Monthly Status Report on Housing Production Team Action Items
 - Status Report on Housing Production Team Recommendation No. 18 – Initiate State Legislation to revise CEQA Rules
 - (h) Monthly Report on Affordable Housing Production
 - (i) Quarterly Report on the Project Development Program
 - (j) Quarterly Report on the Housing Rehabilitation Program
 - (k) Third Quarter Report on the Housing and Homeless Fund
- Due to lack of a quorum, no further discussion occurred and the remaining reports for Agenda Items 4.1(f)-(k) were forwarded to Council.**

- (l) Further Discussion of the Group Home Ordinance and Reasonable Accommodation
The Committee deferred this item to 06/03/02.
- (m) Oral Petitions
The following individuals spoke on various issues: Mike Licata, Tom Armstrong of HMM Engineering, and Bob Hines of Tri-County Apartment Association.
- (n) Adjournment
The meeting was adjourned at 3:32 p.m.

The Economic Development & Environment Committee Report and actions of May 6, 2002 accepted with Item 4.1(e) acted upon at Item 4.2.

4.2 Approval of various actions related to the Parkland Dedication and the Park Impact Ordinances.

Recommendation:

- (a) Accept the supplemental report regarding revisions to the in-lieu fee schedule associated with the Parkland Dedication and the Park Impact Ordinances;
- (b) Consider a two-year phase-in adjustment to the in-lieu fee schedule associated with the Parkland Dedication and Impact Ordinances where the first year will reflect 70% of the land values indicated in the 2001 Residential Land Value Study prepared by Diaz, Diaz & Boyd, Incorporated, and the second year may be based on 100% of the land values in the 2002 Residential Land Study Commission by the City;

This item continued on the next page.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.2 Approval of various actions related to the Parkland Dedication and the Park Impact Ordinances – (Cont’d.)

Recommendation:

- (c) Set June 11, 2002 at 1:30 p.m. as the date and time for a public hearing to consider an amendment to the Parkland Dedication and Park Impact Ordinances, Chapters 19.38 and 14.25 of the San José Municipal Code, to add that any housing types that are not included in the most recent Federal Census may be specified by resolution of the Council;
- (d) Set June 25, 2002 at 1:30 p.m. as the date and time for a public hearing to amend Resolution No. 68207 to adjust the in-lieu fees charged and credits issued pursuant to the Parkland Dedication and the Park Impact Ordinances, Chapters 19.38 and 14.25 of the San José Municipal Code respectively from 100% to the 70% level. Any adjustments to the in-lieu fees will become effective sixty (60) days after Council action;
- (e) Consider a change to private recreation improvement credits on June 25, 2002, to allow as non-active elements, swimming pools and recreation buildings to be credited against land dedicated to the City for public parks purposes, up to 50% cap set forth in Chapter 14.25 or 19.38 of the San José Municipal Code; and
- (f) Direct staff to report back to the Economic Development and Environmental Committee in November on its assessment of available lands for possible acquisition to meet the City goal of 3.5 acres per 1,000 population of neighborhood/community serving parkland by the year 2020.

(Parks, Recreation and Neighborhood Services)

[Economic Development and Environment Committee referral 5/6/02 – Item 4.1(e)]

Council approved the actions related to the Parkland Dedication and the Park Impact Ordinances with the addition of Council Members’ comments regarding the definitive description and clarification of “pipeline” to be submitted at the second reading/final adoption of the ordinance; to “grandfather in” those projects that have the PD zoning at the time the fees become applicable; fees forgiven for construction of mid- to high-rise developments and the disposition of the funds collected; identify a system for providing park maintenance on a consistent basis; and request to resume annual reporting of adjustments of construction-related fees.

4.3 Approval of the Mayor’s Report on Rental Housing.

Recommendation: Approval of:

- (1) The Mayor’s recommendations regarding the Rental Housing Task Force Report; and

This item continued on the next page.

4 ECONOMIC & NEIGHBORHOOD DEVELOPMENT

4.3 Approval of the Mayor's Report on Rental Housing – (Cont'd.)

Recommendation: Approval of:

- (2) An ordinance amending Chapter 17.23 of Title 17 of the San José Municipal Code by adding requirements that owners or managers of units covered by the Rental Dispute Ordinance provide the City with information related to the tenancy, adding requirements that upon a finding by the Director that vacancy rates are less than 3%, a landlord must prove specific reasons to evict tenants on less than a 90 day notice to quit; limiting the ability of a property owner to pass through the cost of an equity refinance into rent; increasing civil penalties for owners who violate the Rental Dispute Ordinance; creating a civil cause of action for illegally evicted tenants under the Rental Dispute Ordinance; and, a right for the recovery of attorneys fees by any prevailing party in a civil action brought under the Rental dispute ordinance.

(Mayor)

Dropped.

4.4 Approval of various actions related to the New Civic Center.

Recommendation:

- (a) Adoption of a resolution authorizing the City Manager to negotiate and execute an Amended and Restated Agreement with artists Anna Valentina Murch and Doug Hollis to design a work of art for a water feature to be located in the New Civic Center to modify the scope of services and increase the contract amount by \$150,000, from \$100,000 to a total agreement amount not to exceed \$250,000.

(Conventions, Arts and Entertainment)

Resolution No. 70978 adopted.

- (b) Adoption of a resolution setting a public hearing to consider the vacation on a 0.743 acre segment on Fifth Street between Santa Clara and San Fernando Streets on June 18, 2002 at 1:30 p.m. CEQA: Resolution No. 68905. Council District 3. (Public Works)

Resolution No. 70979 adopted.

- (c) Adoption of a resolution authorizing the City Manager to negotiate and execute a second amendment to the continuation agreement with Turner Construction Company in an amount not to exceed \$963,000, for a total agreement amount of \$2,513,000, to support construction management services through completion of construction documents for the New San José Civic Center Project. CEQA:

Resolution No. 68905. Council District 3. (Public Works)

(Rules in lieu referral 5/15/02)

Resolution No. 70980 adopted.

5 RECREATION & CULTURAL SERVICES

- 5.1 Report of the Education, Neighborhoods, Youth, and Seniors Committee
Council Member Chavez, Chair
No Report.**

- 5.2 Approval of the Burbank/Del Monte Strong Neighborhoods Improvement Plan.**

Recommendation: Approval of the Burbank/Del Monte Strong Neighborhoods Improvement Plan, as the shared vision for revitalization of the area. Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1). Council District 6. SNI: Burbank/Del Monte. (Planning, Building and Code Enforcement)

This item Heard in the Evening.

Staff and Planning Commission recommendation approved.

- 5.3 Approval of the Bird/Fisk Pocket Park Master Plan.**

Recommendation: Approval of the Bird/Fisk Pocket Park Master Plan. CEQA: Exempt, PP02-04-083. Council District 6. SNI: Gardner/Atlanta. (Public Works)
Approved.

6 TRANSPORTATION SERVICES

- 6.1 Approval of staff's report on the implementation date of the Parking Permit Program.**

Recommendation: Approval of staff's report on the implementation date of the Horace Mann and South University Residential Parking Permit Program. (Transportation)
(Referred from 4/16/02 – Item 6.1)

Deferred to 05/28/02.

7 ENVIRONMENTAL & UTILITY SERVICES

- 7.1 Acceptance of the status report on the transition of the Recycle Plus! Program.**

Recommendation: Acceptance of the status report on the transition of the Recycle Plus! Program. (Environmental Services)
(Referred from 4/23/02 – Item 7.2)

Deferred to 05/28/02.

7 ENVIRONMENTAL & UTILITY SERVICES

7.2 Approval of actions related to the City's cable-related needs and interests.

Recommendation:

- (a) Approval of an ordinance amending and restating Chapter 15.28 establishing regulations pertaining to cable systems and open video systems.

No Ordinance approved.

- (b) City Council direction on one of the following options for Council consideration and action:

- (1) Direct Administration to return on June 4, 2002 with the completed ascertainment of the City's cable-related needs and interests and an amended Request For Renewal Proposal, originally dated November 13th, 2001, for operation of a cable system to provide cable service in the City that would meet and service those identified cable-related needs and interests.

Council approved the direction and accepted Staff recommendation with one change: The Administration directed to return on June 11, 2002 with the completed ascertainment information.

- (2) Approval of an ordinance and other actions necessary to grant a cable franchise for the operation of a cable system to provide in the City that would meet and service the cable-related needs and interests of this community.

(City Manager's Office)

(Referred from 4/23/02 – Item 7.5)

No Ordinance approved.

7.3 Report on the status of the Municipal Water Request for Proposals process and recommendation to select Option No. 4, the Environmental Services Management Plan.

Recommendation:

- (a) Report on the status of the Municipal Water Request for Proposals process and recommendation to select Option No. 4, the Environmental Services Management Plan.

Council accepted the status report.

This item continued on the next page.

7 ENVIRONMENTAL & UTILITY SERVICES

7.3 Report on the status of the Municipal Water Request for Proposals process and recommendation to select Option No. 4, the Environmental Services Management Plan. – (Cont'd.)

Recommendation:

- (b) Adoption of a resolution authorizing the City Manager to negotiate and execute a continuation agreement for technical services with HDR Engineering, Inc., extending the term from March 31, 2002 to June 30, 2002, and increasing compensation by \$30,000, to a total amount not to exceed \$320,000.

(City Manager's Office)

(Deferred from 4/30/02 – Item 7.2)

Resolution No. 70981 adopted.

Noes: Campos, Chavez, LeZotte, Williams, Yeager.

Council approved the following direction, as contained in the 05/20/02 memorandum co-authored by Council Members Cortesé, Reed, Dando, Diquisto, and Mayor Gonzales, regarding the future operation of the San José Municipal Water System (SJMWC):

- **Approve Option 2 in the City Manager's Memorandum of May 10, 2002 and directed the City Administration to begin good-faith negotiations immediately with San José Water Company (SJWC) for a 30-year Operating Rights Agreement (ORA) for the San José Municipal Water System (SJMWS) that uses the City's current rate structure and a multi-year phase-in of any rate changes; the results of the negotiations would be brought to Council to be compared with the SJMWS proposal for continued City operation of the System, which comparison must recognize there will be no costs attributed to the ORA other than those which can be specifically identified (overhead costs will diminish, etc.), and directed the City Auditor by August 20, 2002 to issue a report independent of the Management Plan based on an operations and management audit of the System conducted simultaneously;**
- **Designate the Mayor's Budget Office and the City Auditor to participate in the negotiations between the San José Water Company and the City;**
- **Direct the City Administration and SJWC to develop a redeployment strategy for SJMWS employees consistent with the City's employment policies that results in employment for every employee;**
- **Hold a public hearing, no later than August 20, 2002, when a mutually agreed upon ORA is presented for Council consideration;**
- **Direct the Administration to provide a complete report of the time of the Council's consideration of the agreement in August on the two expenditure options resulting from the agreement; which report would include recommendations for (a) use of the minimum \$40 million up-front or negotiated**

This item continued on the next page.

7 ENVIRONMENTAL & UTILITY SERVICES

- 7.3 Report on the status of the Municipal Water Request for Proposals process and recommendation to select Option No. 4, the Environmental Services Management Plan. – (Cont'd.)**

annual payment, consistent with Council direction, for expenditures limited to items that already have partial funding in the Capital Improvement Plan or have approved master plans (this would include, but would be not limited to, transportation improvements and parks and trails; and (b) use of regular annual payments over the term of the ORA including continuing the current transfer to the General Fund and any additional resources that would still remain available for bonding; and

- Coordinate with SJWC an outreach strategy to affected SJMWS ratepayers, in conjunction with the respective Council Offices whose constituents are served by the SJMWS.

Vote: 6-5-0-0. Noes: Campos, Chavez, LeZotte, Williams, Yeager.

8 AVIATION SERVICES

9 PUBLIC SAFETY SERVICES

10 JOINT COUNCIL/REDEVELOPMENT AGENCY

- Closed Session Report
- Notice of City Engineer's Pending Decision on Final Maps
In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's pending decision on the following Final Maps:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>	<u>Proposed Decision</u>
9407	SE/C of 7 th Street & Jackson Street	3	Pulte Home Corporation	159 units	MFA	Approve

In accordance with Sec. 19.16.140d of the San Jose Municipal Code, this is notice of the City Engineer's receipt of the following Final Maps for review:

<u>Tract</u>	<u>Location</u>	<u>Council District</u>	<u>Developer</u>	<u>Lots/Units</u>	<u>Type</u>
9422	SE/C of Capitol Expwy. & Vista Park Dr.	10	Pinn Brothers	357 units	SFA

- Open Forum

Following Open Forum, Council recessed at 4:51 p.m. and reconvened at 7:05 p.m., Council Chambers, City Hall.

**JOINT CITY OF SAN JOSÉ
CITY COUNCIL/REDEVELOPMENT AGENCY/
FINANCING AUTHORITY
AGENDA**

1:30 P.M

TUESDAY, MAY 21, 2002

CHAMBERS

1. Call to Order
2. **Approval of various actions related to Redevelopment Agency Housing set-aside taxable Bonds, Series 2002G and 2002H.**

Recommendation:

- (a) Adoption of a resolution of the Agency Board:
 - (1) Authorizing the issuance of Redevelopment Agency of the City of San José Merged Area Redevelopment Project Housing Set-Aside Taxable Revenue Bonds, Series 2002G and 2002H (collectively, the "Bonds") in an aggregate principal amount not to exceed \$70,000,000, initially at a variable interest rate;
 - (2) Approving in substantially final form the Bonds, Indenture, Fiscal Agent Agreement, Regulatory Agreement and Declaration of Restrictive Covenants, Bond Purchase Agreements, Official Statement and Remarketing Agreements; authorizing the Executive Director, or her designee, to execute and, as appropriate, negotiate these documents and other related documents as necessary.
 - (3) Authorizing the Executive Director and the Director of Finance to take all necessary actions in connection with the issuance of the Bonds.

Agency Resolution adopted.

- (b) Adoption of a resolution of the City Council:
 - (1) Approving the issuance of the Bonds by the Redevelopment Agency; making a finding pursuant to Redevelopment Law that the Merged Area will benefit from the projects funded by the Bonds that are located outside of the Merged Area;
 - (2) Authorizing certain City officials to take all necessary actions in connection with issuance of the Bonds, which include the hiring of bond counsel and financial advisor.

Resolution No. 70982 adopted.

This item continued on the next page.

**JOINT CITY OF SAN JOSÉ
CITY COUNCIL/REDEVELOPMENT AGENCY/
FINANCING AUTHORITY
AGENDA**

2. **Approval of various actions related to Redevelopment Agency Housing set-aside taxable Bonds, Series 2002G and 2002H. (Cont'd)**

Recommendation:

- (c) Adoption of a resolution of the City of San José Financing Authority approving in substantially final form and authorizing the Treasurer, or his designee, to execute Bond Purchase Agreements and Remarketing Agreements with Banc of America Securities LLC and Salomon Smith Barney, Inc. to serve as underwriter and remarketing agent for Series 2002G and 2002H, respectively.

(City Manager's Office/Redevelopment Agency)

Resolution No. SJFA-53

3. Adjourn the City Council, Redevelopment Agency, and Financing Authority

11 PUBLIC HEARINGS

(To be heard by the City Council at 7:00 p.m.)

11.1 Public Hearing on a street renaming.

Recommendation: PUBLIC HEARING ON STREET RENAMING of a proposed frontage road running parallel to the east of State Highway 87, between the northerly line of West Hedding Street and southerly line of Coleman Avenue to Guadalupe Road.

CEQA: Exempt. Historical Landmarks Commission and Director of Planning, Building and Code Enforcement recommend renaming to El Pueblo Viejo. Planning Commission recommends renaming to Guadalupe Parkway Frontage Road (7-0-0).

District 3

(Continued from 12/4/01 – Item 11.1 et al., and 5/7/02 – Item 11.1)

Continued to 6/18/02

11.2 Public Hearing on an ordinance amending the lot line adjustment process.

Recommendation: PUBLIC HEARING ON AN ORDINANCE of the City of San José amending Chapters 19.08, 19.12, and 19.4 of Title 19 of the San José Municipal Code, to amend the lot line adjustment process; and include a lot line correction process to allow for technical corrections to approved lot line adjustments. Director of Planning, Building and Code Enforcement recommend approval. No Planning Commission action required.

CEQA: Exempt, PP02-04-070. (Planning, Building and Code Enforcement)

Ordinance No. 26635 passed for publication.

11.3 Public Hearing on planned development rezoning at the southeast corner of Bascom Avenue and Camden Avenue.

Recommendation: PUBLIC HEARING ON PLANNED DEVELOPMENT REZONING of the property located at the southeast corner of Bascom Avenue and Camden Avenue, from CP Commercial Pedestrian District to A(PD) Planned Development Zoning District, to allow the addition of a car wash facility to an existing gas station on 0.519 gross acre (Chevron Products Co., Owner/Developer). Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1). CEQA: Mitigated Negative Declaration.

PDC 01-03-036 - District 9

(Continued from 2/5/02 – Item 11.5 et al., and 5/7/02 – Item 11.3)

Ordinance No. 26636 passed for publication.

11 PUBLIC HEARINGS

11.4 Public Hearing on conforming rezoning at East Taylor Street and 23rd Street.

Recommendation: PUBLIC HEARING ON CONFORMING REZONING of the property located north of East Taylor Street on the southeast side of 23rd Street, from R-1-8 Residence Zoning District to R-M Residence Zoning District, to allow multi-family residential uses on 0.69 gross acres. (John Licking, Owner/Developer). CEQA: Resolution No. 65459. Director of Planning, Building, and Code Enforcement recommends approval. No Planning Commission action required.

C 02-01-006 - District 3

(Continued from 3/19/02 – Item 11.10 and 4/16/02 – Item 11.2)

Continued to 8/20/02.

11.5 Public Hearing on conforming planned development rezoning at Highway 101 and Hellyer Avenue.

Recommendation: PUBLIC HEARING ON CONFORMING PLANNED DEVELOPMENT REZONING of the property located on the easterly side of Highway 101, approximately 1,000 feet northerly of Hellyer Avenue, from A(PD) Planned Development Zoning District to A(PD) Planned Development Zoning District, to reconfigure a previously approved 550 unit residential subdivision and an 18-hole public golf course to avoid the relocation of public utilities facilities on a 579.4 gross acre site. (Cerro Plata Associates, LLC, Owner, William Lyon Homes, Developer). CEQA: Resolution No. 64913.

PDC 02-01-011 - District 8

(Continued 4/16/02 – Item 11.6 and 5/7/02 – Item 11.4)

Continued to 6/4/02

11.6 Public Hearing on planned development rezoning at San Pedro and West St. James Streets.

Recommendation: PUBLIC HEARING ON PLANNED DEVELOPMENT REZONING of the property located at the west side of San Pedro Street, 130 feet northerly of West St. James Street, from CG Commercial Zoning District to A(PD) Planned Development Zoning District, to allow up to 109 multi-family attached dwelling units on 0.77 gross acres. (Green Valley Corporation, Owner; Barry Swenson Builder, Developer). CEQA: Resolution No. 68839.

PDC 01-11-100 - District 3

(Continued from 5/7/02 – Item 11.7)

Continued to 6/4/02

11 PUBLIC HEARINGS

11.7 Public Hearing on planned development rezoning at 131 Patterson Street.

Recommendation: PUBLIC HEARING ON PLANNED DEVELOPMENT REZONING of the property located at the north side of Patterson Street, 120 feet easterly of South 3rd Street, (131 Patterson St.), from LI Light Industrial Zoning District to A(PD) Planned Development Zoning District, to allow up to 78 multi-family attached dwelling units on 1.2 gross acres. (Kathy Novelo, Owner; Barry Swenson Builder, Developer). Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (7-0-0). CEQA: Negative Declaration.
PDC 01-08-085 - District 3

Ordinance No. 26637 passed for publication.

11.8 Public Hearing on planned development rezoning at Roberts Avenue and Story Road.

Recommendation: PUBLIC HEARING ON PLANNED DEVELOPMENT REZONING of the property located at the east side of Roberts Avenue, approximately 340 feet south of Story Road, from R-1:B-6 Zoning District to A(PD) Planned Development Zoning District, to allow up to 16 multi-family attached units on 1.4 gross acres. (Peter Chui, Owner; Greater Bay Construction, Developer). Director of Planning, Building and Code Enforcement and Planning Commission recommend approval (6-0-1). CEQA: Negative Declaration.
PDC 01-02-010 - District 7

Ordinance No. 26638 passed for publication.

11.9 Public Hearing on conforming rezoning at 1100 North First Street.

Recommendation: PUBLIC HEARING ON CONFORMING REZONING of the property located at the east side of Burton Avenue, 500 feet northerly of Younger Avenue (1100 North First Street), from A(PD) Planned Development Zoning District to CN Neighborhood Commercial Zoning District, to allow commercial uses, including public eating establishments on 0.36 gross acre. (Jerome Cortese Family Trust, Owner/Developer). Director of Planning, Building and Code Enforcement recommend approval. No Planning Commission action required. CEQA: Resolution No. 95459.
C 02-015 - District 3

Ordinance No. 26639 passed for publication.

11 PUBLIC HEARINGS

11.10 Public Hearing on conforming rezoning at South First and Martha Streets.

Recommendation: PUBLIC HEARING ON CONFORMING REZONING of the property located on the west side of South First Street, approximately 50 feet north of Martha Street, from LI Light Industrial Zoning District to CN Neighborhood Commercial Zoning District, to allow commercial uses, including personal service uses (hair salon) on 0.1 gross acre. (Francisco Aranda, Owner; Martha Zarate, Applicant). Director of Planning, Building and Code Enforcement recommend approval. No Planning Commission action required. CEQA: Exempt.

C 02-026 - District 3

Ordinance No. 26640 passed for publication.

- Open Forum
None.
- Adjournment
The Council of the City of San José adjourned at 9:00 p.m.